**Price rise despite reduction in custom duty**

2919. SHRIMATI KAILASHPATI:
SHRI RAJNI RANJAN SAHU:

Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the prices of medicines are rising despite reduction in custom duty on bulk drugs, intermediates and finished medicines;

(b) what were the prices of Clothalton Tabs, Linoral Tabs, Crotoran Cream, Esgipyrin Tabs, Hytholton Tabs, before DPCO 1987 and what are their prices at present and percentage of increase in each case;

(c) whether any thereof these products are based on imported drugs;

(d) if so, the names of drugs and what was custom duty/earlier and present one;

(e) what are the reasons for price increase in each and what justification has been therefor;

(f) what are the names of producers of these products and what was the total imports and profitability of each during last three years year-wise; and

(g) what are the names of other price decontrol products earlier and present price of each of these producers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (e) Customs Duty reduction need not always necessarily result in reduction of prices of all the medicines. In a situation of rising prices of all commodities and services, some increases in prices of medicines are inevitable.

(b) and (f) Imports of drugs and drugs intermediates are not monitored by this Ministry. Regarding other details, to the extent information is available, details asked for are given in the statement annexed. (*See* below)

(c) and (d) To the extent information is available, Clothalon Tabs, and Hytholton Tabs are based on imported bulk drugs. During 1992-93 custom Duty on bulk drug Chlerthalidone was 110 per cent, which has been reduced to 85 per cent in the budget of 1993-94.

(g) The number of price decontrolled products runs into thousands and hence the time and labour involved in compilation of the information asked for, will not be commensurate with the results likely to be achieved.

Statement

| S. No. | Name of product | Name of bulk drug | Name of the Producer | Pack Size | Price before DPCO '87 (inclusive of excise duty only Rs. P | Current Price (inclusive of excise duty and local taxes etc. | Percentage increase |
|---|---|---|---|---|---|---|---|
| | | | | | | 7 | 8 |
| [Clotholton Tabs | | Clonidine Hcl and *Chilorthaeidone | S.G. Pharma | 10's | 12.50 | 43.28 | 246.24% |

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|---|---|---|---|---|---|---|
| 2. | Lynoral Tab | Ethinyldestradion | Infar | 10's | 5.80 | 8.75 | 50.86% |
| 3. | Crotorex Cream | Crotamiton | S.G. Pharma | 20 gm | 6.73 | 13.48 | 100.30% |
| 4. | Esgipyrin Tabs | Phenyl Butazone and Propylphenazone | -do- | 10's | 2.99 | 8.45 | 182.61% |
| 5. | Hytholton Tabs | £Chlorthalidone | -do- | 10's | 9.28 | 28.00 | 201.72% |

*Imported

Approved for price hike under DPCO, 1979

2920. SHRIMATI KAILASHPATI:

SHRIMATI SATYA BAHIN:

Will the PRIME MINISTER be pleased to state:

(a) what were the approved prices of Lle B and CVP range of formulations of M/s. US Vitamins under DPCO, 1979 and what are their approved prices now;

(b) whether it is a fact that the company never took price approval of these products under DPCO, 1979 and also that they withdrew their application for registration; and

(c) what is the present price of each and what action has been taken against the company?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERB (SHRI EDUARDO FALEIRO) (a) to (c) The position shall be ascertained and facts laid on the Table of the House.

**Shortage of Urea in Uttar Pradesh**

2921. SHRI SHANTI TYAGI: Will the PRIME MINISTER be pleased to state:

(a) whether Government have received reports of acute shortage of Urea in Uttar Pradesh and the same is being sold in the blackmarket;

(b) if so, the reasons therefor; and

(c) the allocation of Urea fertiliser for U.P. for the Rabi season of 1992-93?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) Whereas phosphatic and potassic fertilisers were decontrolled on 25.8.1992, Urea, which is a nitrogenous fertiliser, continues to be under price and movement control. Further with effect from 25.8.1992 the price of Urea was reduced by 10 percent. The demand for Urea, therefore, significantly increased during the current Rabi season in most States including U.P., thus exerting pressure on its availability. The situation in U.P. was aggravated because of difficulties in movement of fertilisers in the months of December, 1992 on account of disturbances.

Even though reports of shortages in specific pockets of U.P. have been received, in overall terms the aavilability was in keeping with the allocation made for the States and total availability during the current Rabi season has been more than the last Rabi season. Actual sales have also been more during the current Rabi season. According to the U.P. Government increase in demand led to black-marketing and effective steps were taken to curb this.

(c) 21.94 lakh tonnes.